Healthcare Business Operations

Revised Financing in Hampton

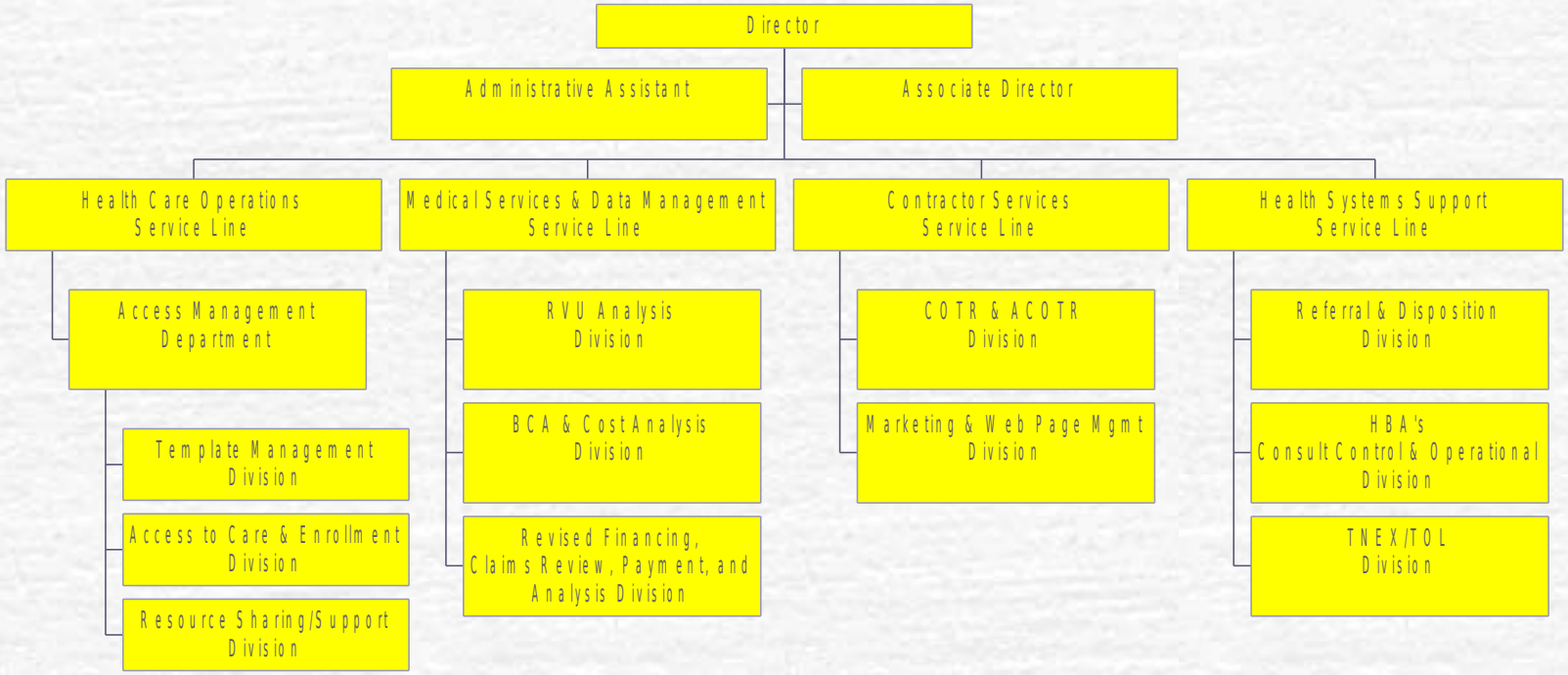
“Our Performance Factor”

CDR E. Nelson
Healthcare Business Opera
NMCP

HBO Mission

- Provide the right information to the right people at the right time in order to support performance-based decision-making that will ensure both military readiness and quality healthcare for our beneficiaries.

Directorate Organization


Director
Administrative Assistant
Associate Director
Health Care Operations Service Line
Medical Services & Data Management Service Line
Contractor Services Service Line
Health Systems Support Service Line
Access Management Department
Template Management Division
Access to Care & Enrollment Division
Resource Sharing/Support Division
RVU Analysis Division
BCA & Cost Analysis Division
Revised Financing, Claims Review, Payment, and Analysis Division
COTR & ACOTR Division
Marketing & Web Page Mgmt Division
Referral & Disposition Division
HBA's Consult Control & Operational Division
TNEX/TOL Division

Services Provided by HBO

- CHCS Template Management
- Enrollment Tracking and Analysis
- Service Utilization Analysis
  - Includes Revised Financing Analysis
- Business Case Analysis
- Service contract negotiations
- TRICARE Marketing
- Disengagement and Referral Management
- Health Benefits Advisory Services

Current Issues/Challenges

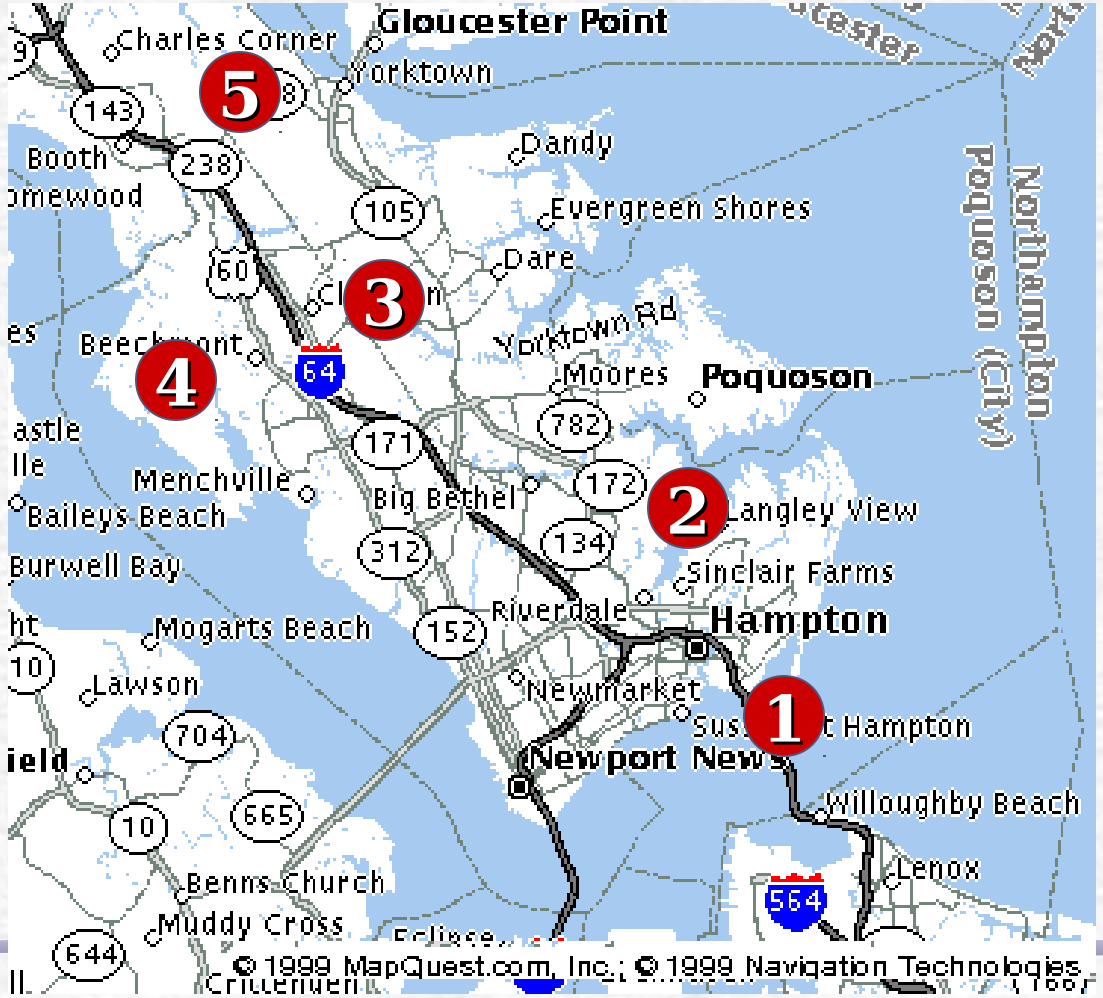
- Ensuring that any change in services that would impact cost of services is assessed for need to complete a BCA.
- Reducing the cost of healthcare of Prime patients receiving care in the network – Revised Financing
- Resolving contract issues to reflect the constantly changing business practices and business rules.
- Marketing TRICARE Prime to the eligible beneficiary population

ssues and Challenges (cont'd)

- Transition of MTF Appointing
  - Centralized through current MCSC
- Resource Sharing Transition
  - All 3 MTFs quite dependent on RSAs
- Coordinated Referral Patterns
  - Geographical barriers (tunnels)
- Multi-Service Market Manager Office
  - Staffing and resourcing

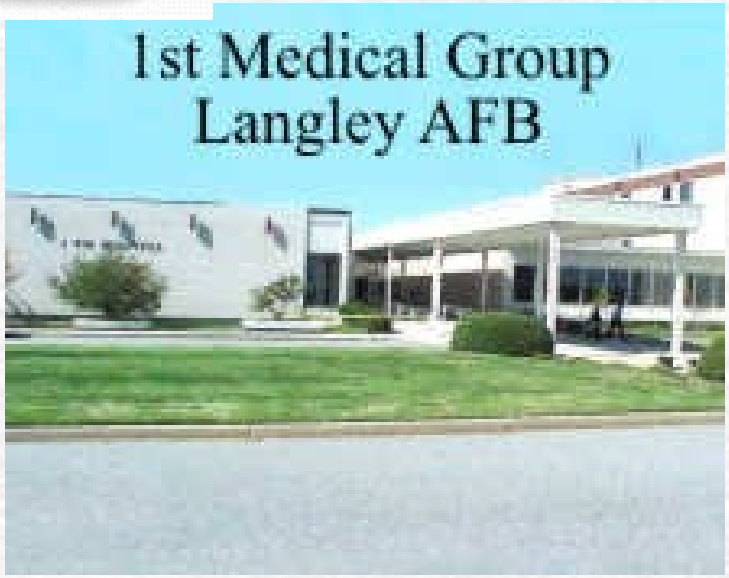
Who's in our multi-service marke

Peninsula Clinics



1. Ft Monroe
2. Langley
3. Prime Eagle
4. Ft Eustis
5. BMC Yorktown

1st Medical Group (1 MDG)



Enrolled 35,054

Available capacity zero

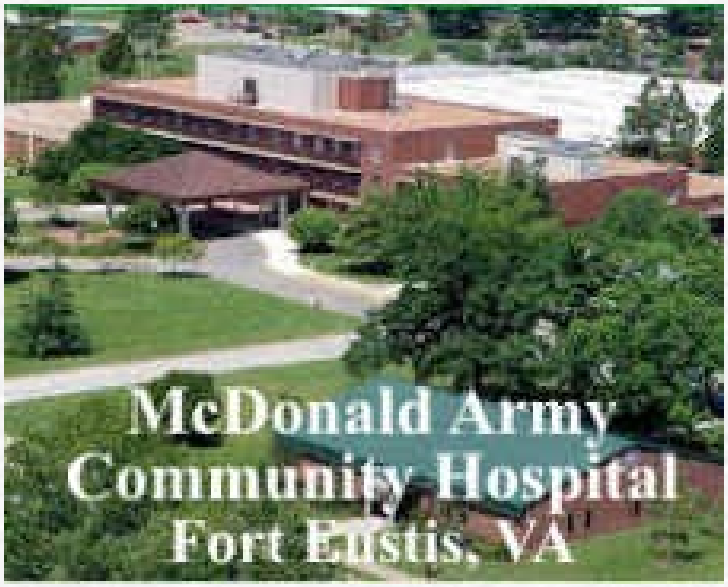
- Community Hospital
  - beds 35
  - avg. daily inpt. load 21
- Fairly extensive outpatient services
  - outlying clinics 2
  - visits/year 208,000

Catchment area overlaps with Portsmouth

- North of Hampton Roads Tunnel

https://wwwmil.langley.af.mil/1mg/

McDonald Army Community Hospital (MACH)



- Enrolled 31,145
- Available capacity 6,028
- Community hospital
  - bed 30
  - avg. daily inpatient load 8
- Mostly primary/acute outpatient services
  - no emergency services
  - few specialty services
  - outlying clinics 2
  - visits/year 252,061

Catchment area overlaps with Portsmouth

- North of Hampton Roads Tunnel

www.narmc.amedd.army.mil/mcdonald

Other Federal Agencies

VA MedCen Hampton

- 7 driving miles from 1MDG Langley AFB Hospital
- Long-term care
- Domiciliary

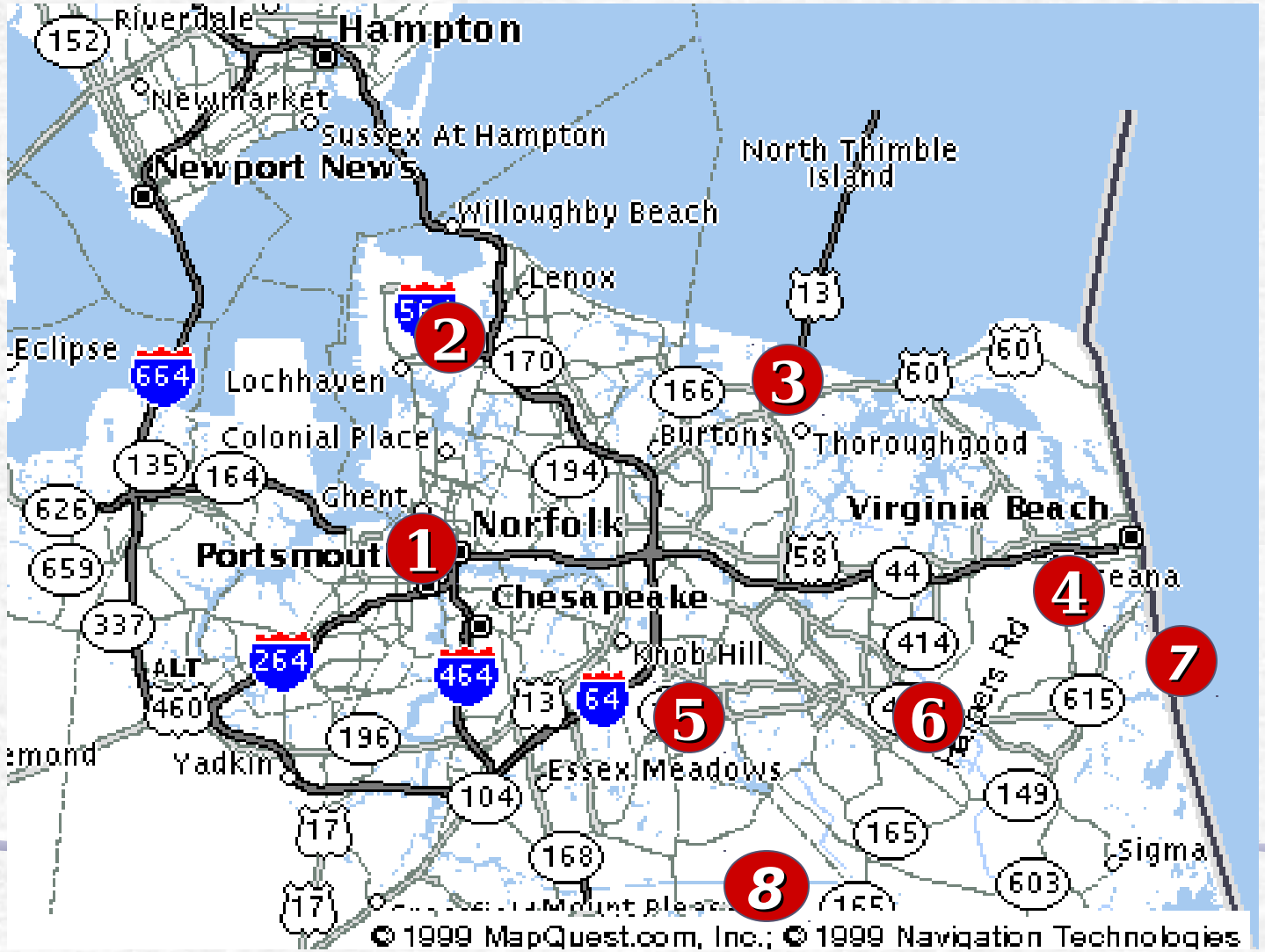
U.S. COAST GUARD
Maintenance and Logistics Command, Atlantic

US Coast Guard

Maintenance & Logistics Command - Atlantic

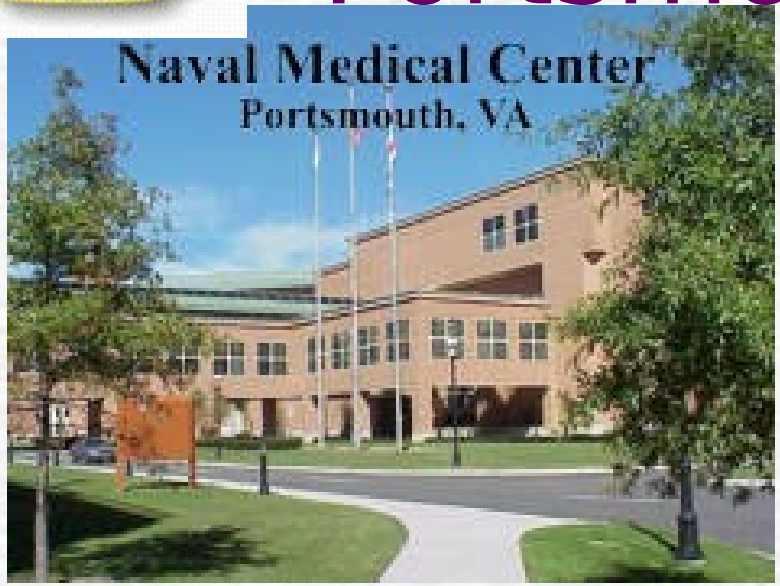
- clinics 3
- enrolled 2,046

Southside Clinics



1. NMCP
2. BMC Sewells Point
3. BMC Boone
4. BMC Oceana
5. TPC Chesapeake
6. TPC VA Beach
7. BMC Dam Neck
8. BMC Northwest

Naval Medical Center Portsmouth (NMCP)



Metro. Hampton Roads (Norfolk) Virginia

- Southside
- Supports multiple local military installations

Enrolled 122,111
Eligible 309,153
Prime Enrolled 202,059
Available capacity 6,028

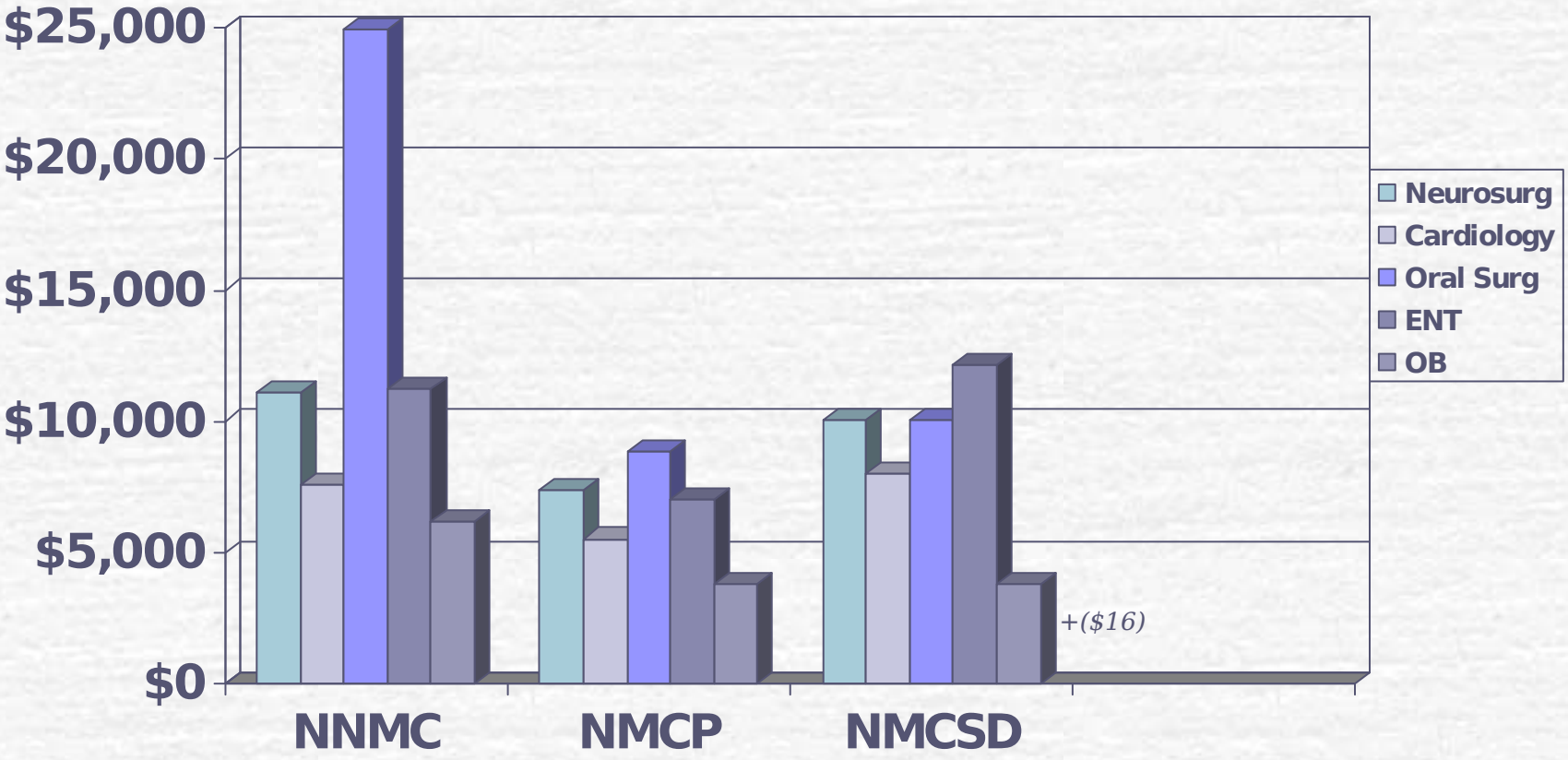
- Tertiary medical center
  - beds 298
  - avg. daily inpt. load 188
- Comprehensive outpatient services
  - outlying clinics 9
  - visits/year 1,400,000

http://www-nmcp.med.navy.mil

Additional NMCP Information

- 20 Inpatient Services
- 20 Ambulatory Procedures Clinics
- 96 Outpatient Clinics
- 9 Branch Medical Clinics
- ~ 500 Privileged Healthcare Providers
- 31 Resource Sharing Agreements

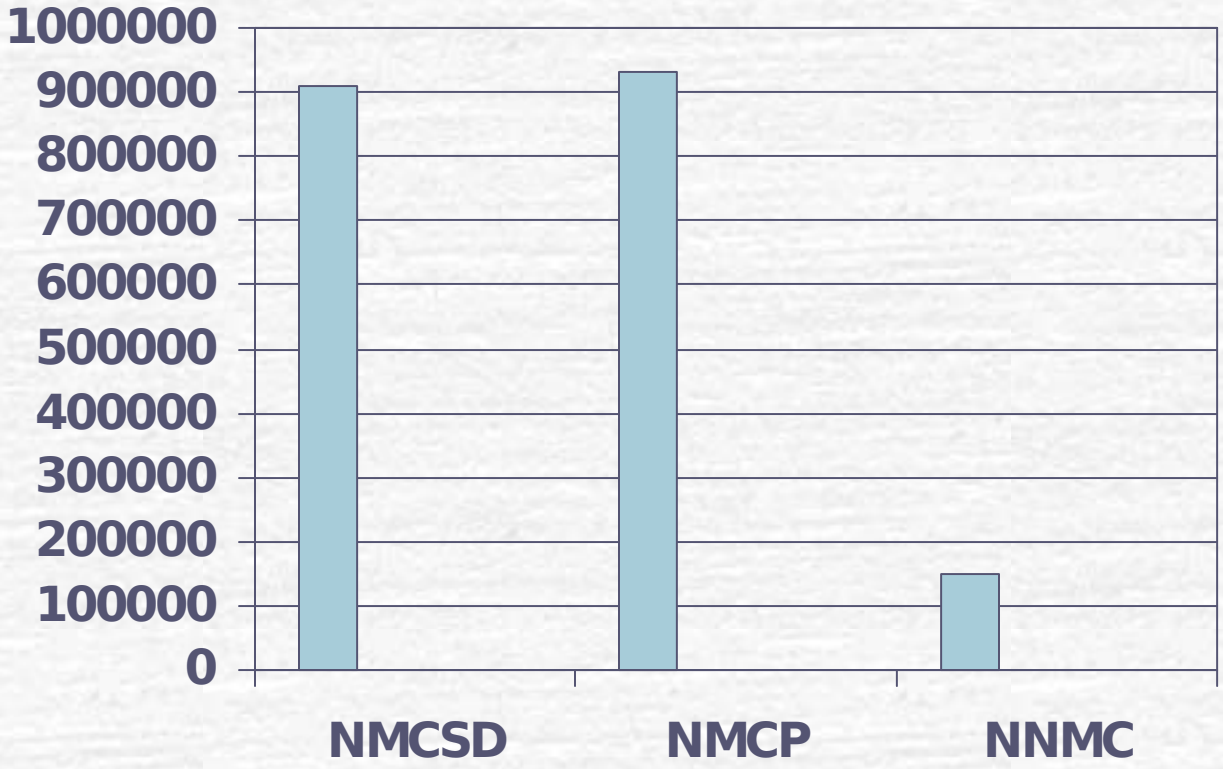
NMCP in comparison with NMCSD &



Cost per inpatient disposition

Source: EASIV Repository

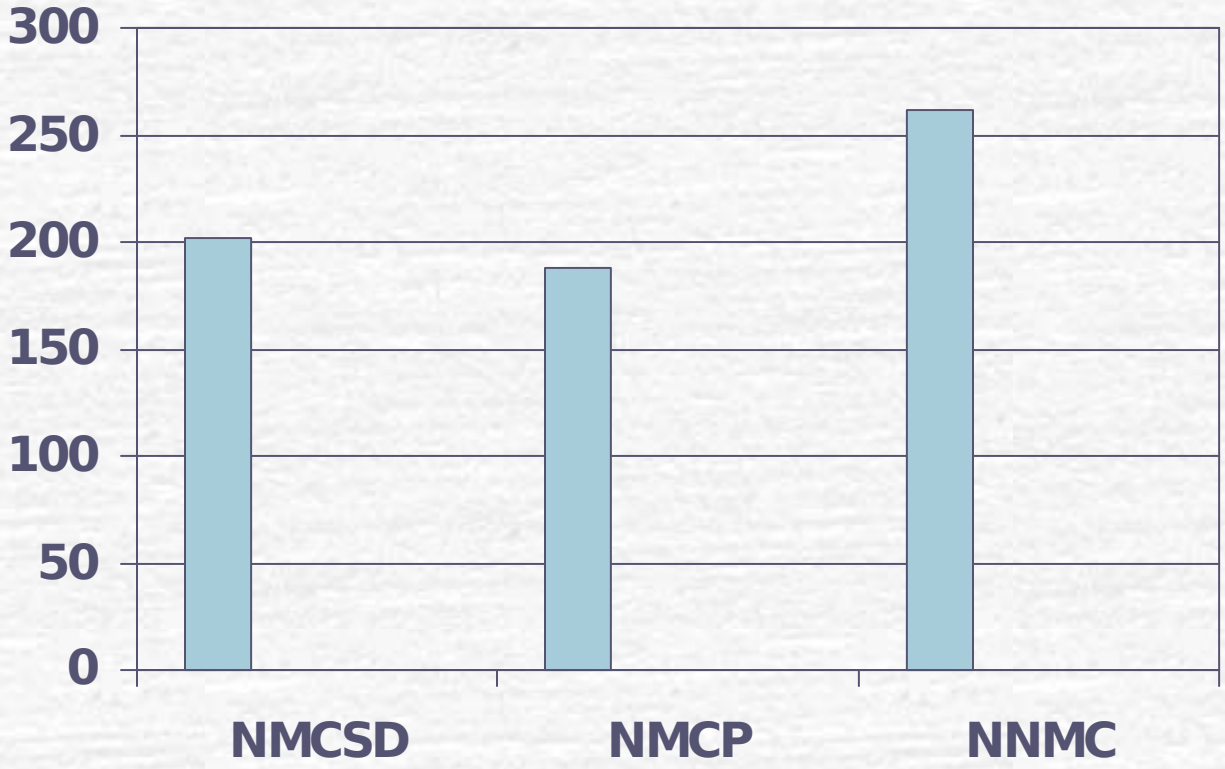
NMCP in comparison with NMCSD &



MEPRS total outpatient visits October-May FY03

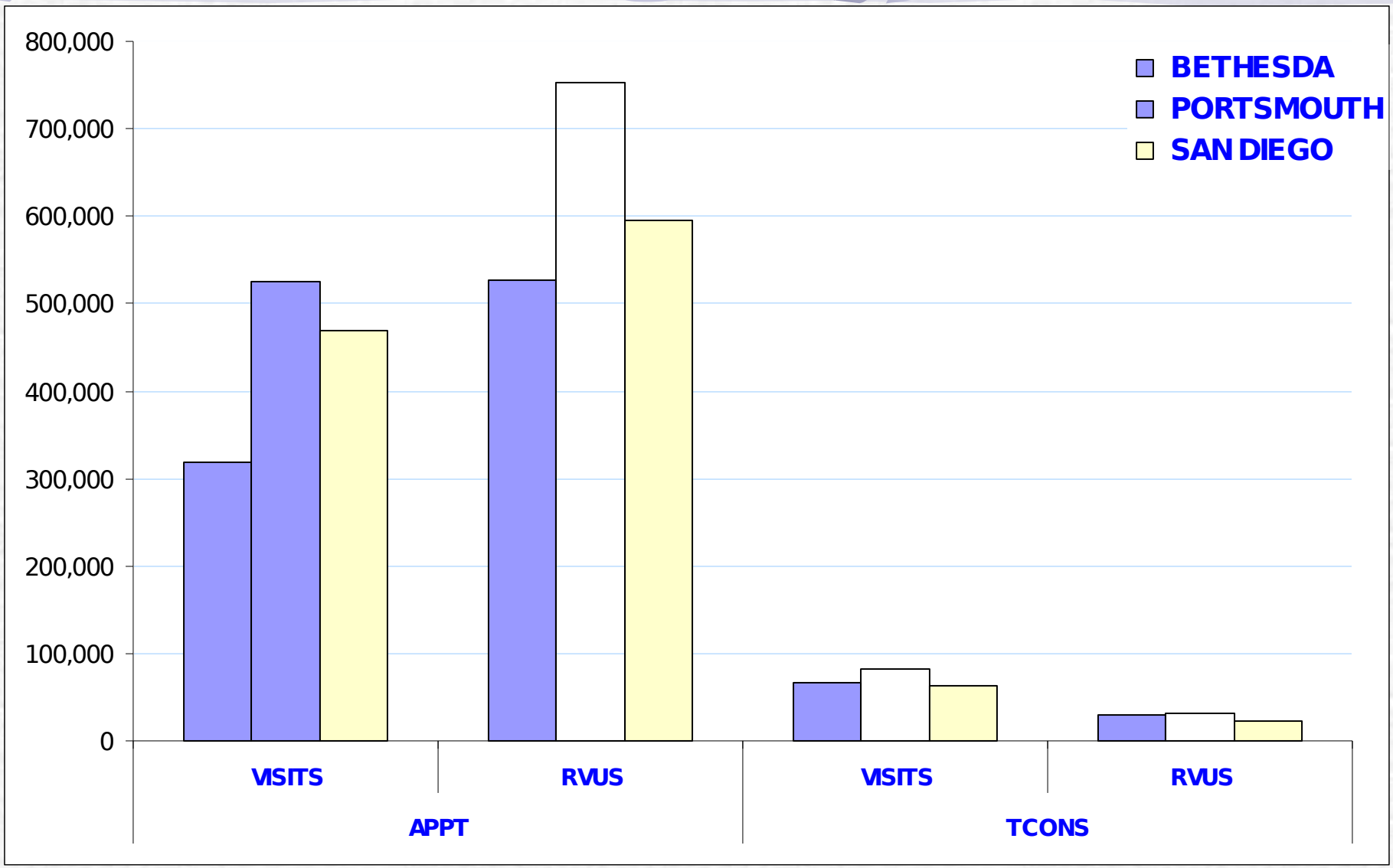
Source: EASIV Repository

NMCP in comparison with NMCSD & N



MEPRS total average cost per outpatient visits October-May FY03

Healthcare Business Operations



Source: EASIV (July 03)

Adjusting the Data!!

	AVG MONTHLY FT	TOTAL RVUS THR	RVUS/FTES
SAN DIEGO	5,126.05	595,983.70	116.26563
BETHESDA	2,985.84	527,224.70	176.575
PORTSMOU	4,755.14	753,332.20	158.42478
SOURCE: M2			
PROGRESS REPORTS & STATISTICS			

Healthcare Business Operations

- Hampton Roads Market Challenges
  - Coordinating appointing with all MTF's in market.
  - Ripple Effects
    - Eliminate complicated protocols for appointing to clinics.
    - Standardize names of clinics
    - Simplify appointment types
    - Establish uniform business rules for appointing and template management
  - Challenge: Per BUMED - Appointing now costs up to $10.00 per appointment, we need to get to about $3.00-4.00 per appointment to be competitive. No compensation for

Healthcare Business Operations

Local Support Contracts

- Utilization Management/Demand Management
  - Case review – Efficient?
  - Discharge Planning
  - Individual Case Management
  - Group Case Management (disease state management)
  - Benchmarking – Population based or provider focused.
  - Must be provider driven to be efficient
  - Must be coordinated with HSSC
  - Must Consider Return on Investment – Goal is both improved quality and reduced expense.

Group Care Management – Disease State Management

- Identify key diseases or health states and manage them.
  - Diabetes – Perhaps best studied.
  - Lipids – Long term ROI.
  - HTN – Huge savings with appropriate use of medications.
  - Depression – Biggest contributor of disability in this country. Only ½ are identified, less than ½ are treated appropriately.
  - Pre-natal care – Not a disease state, but immense short and long term financial implications.
- Measure success.

Top 21 ICD-9 Diagnoses by Count for May 2003				
ICD-9	Diagnosis	Cost	Counts	Cost/Count
7998	Ill Define Condition NEC	$293,942.99	4810	$61.11
29610-29636	Depressive Disorders	$154,819.16	2671	$57.96
3080-3099	Adjustment Disorders	$121,877.61	2000	$60.94
31281-3149	Conduct Disorders	$101,415.83	1721	$58.93
30000-3009	Anxiety Disorders	$32,947.08	493	$66.83
78650-78659	Chest Pain	$58,771.98	349	$168.40
1489-20890	Malignancies	$147,671.19	341	$433.05
V720	Eye & Vision Examination	$16,015.32	333	$48.09
0048-1369	Infectious Disease	$34,955.12	299	$116.91
78340	Unspec. Lack of Physio. Dev.	$45,220.04	268	$168.73
29600-29680	Bipolar Disorders	$35,310.09	264	$133.75
78050-78057	Sleep Disorders	$90,555.00	259	$349.63
29690-29990	Psychosis	$25,019.99	254	$98.50
3152-3159	Learning Disorders	$17,137.98	249	$68.83
3671	Myopia	$10,976.99	240	$45.74
V202	Routine Child Health Exam	$19,964.05	218	$91.58
3439	Cerebral Palsy NOS	$26,357.52	204	$129.20
3829	Otitis Media NOS	$17,465.94	192	$90.97
4659	Acute URI NOS	$13,142.22	170	$77.31
2111-2398	Benign Neoplasms	$30,828.42	150	$205.52
V3000	Single LB In-Hosp W/O CS	$788,518.94	145	$5,438.06

Healthcare Business Operations

The Next Generation of Contracts means…..

- Align responsibility with accountability.
  - All care and expenses associated with enrolled beneficiaries are the responsibility of the MTF Commander
- Manage a market not just an MTF
  - Consider the care that goes to the network as part of the care an MTF Commander manages.
  - Coordinate efforts of all MTF’s within the Market to achieve inter-MTF Optimization.

"Our Performance Factor"

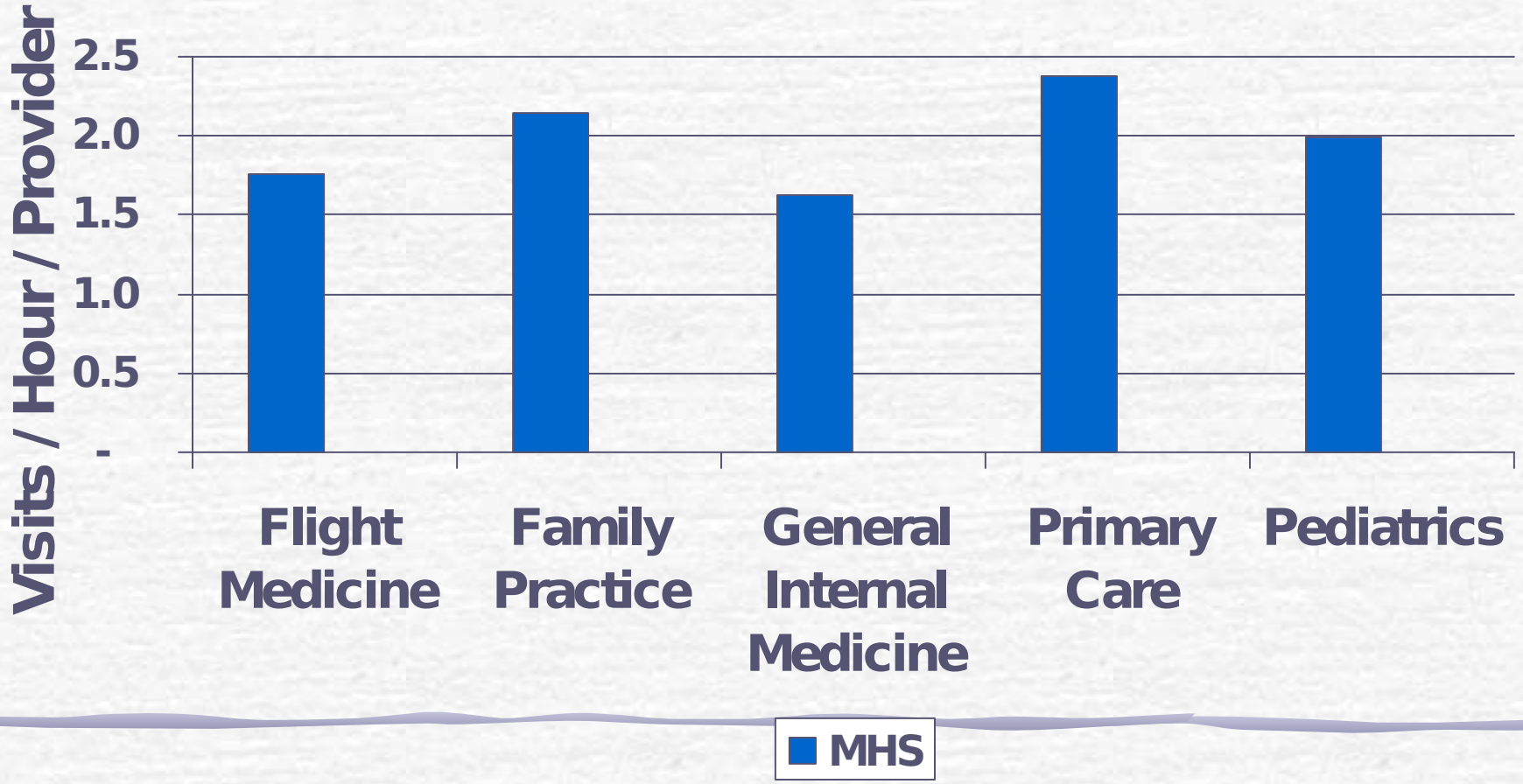
- effective template management

- referral management

= business tools

Productivity Outputs

Visits per Hour MHS



Courtesy BUMED M3M

NMCP Goals

Goal: 25 patients per day for primary c
15 per day for internal medicine.

Specialty care – mutually agreed u
or MGMA adjusted ambulatory encoun

Business Plan Tool

GASTRO	BAGA/BAGA 5										
RESOURCES	**Personnel**	MC	NC	DC	MSC	HMCM HMCS HMC	HM	GS RN	GS LPN/TECH	GS (1 Secretary, 2 Front Desk Clerks)	Contract (1 RN; 2 LPN)
	Cost per FTE	$110,000	$110,000	$110,000	$110,000	$55,000	$55,000	$86,000	$86,000	$86,000	$100,000
Fiscal Project centers	FY 03	3	0	0	0	0	6	3	2.4	1	1.8
	FY 04	3	0	0	0	0	6	3	2.4	1	1.8
TOTALS	Military Personnel	GS Civilian Personnel	Contract Personnel	Total Personnel	OPTAR Auth02	OPTAR Auth03	Travel/GME FY 03	Space	AVG # deferrals/m	Network Deferral Costs	
GASTRO CLINIC	$660,000	$567,600	$300,000	$1,527,600				$177,902	132	$1,459,999	
									TOTAL COSTS	**$3,165,501**	
REVENUE	ADM	M2	RVU	Provider Revenue							
Clinic workload from CHCS		2955	7,726	$568,341	assumes $73.56 per RVU (practice expense plus facility) for provider						
APV		1791	10,542	$775,486	assumes $73.56 per RVU (practice expense plus facility) for provider						
INPT				$0	assumes $1000 provider revenue per admission						
Totals		4,747	13,701	$1,343,827					**TOTAL REVENUE**	**$1,483,158**	
									PROFIT	**($1,682,343)**	

PROV NAME	TOTAL VISITS APV	CLINIC	Grand Total	MGMA 75% Benchmark	Percent of 75% Benchmark	Total RVU's	Dollar Value
Yagel	660	1167	1827	1,472	124%	7,748	$569,910
Dobhan	629	875	1504	1,472	102%	6,735	$495,427
Schafer	502	914	1416	1,472	96%	5,680	$417,821

OUTPATIENT VISITS FY03 BY PROVIDER, APPOINTMENT STATUS AND RVUS

FM Data

PROVIDER	CLINIC	APPT STA	OCT VISIT	OCT RVU	NOV VISIT	NOV RVU	DEC VISIT	DEC RVU	JAN VISIT	JAN RVU	RVU	Total VISIT	Total RVU
ADAMS,TIM K	PAIN CLINIC	APPT	0	0.0	0	0.0	8	14.7	1	3.7	0.0	9	18.4
ADAMS,TIM K Total			**0**	**0.0**	**0**	**0.0**	**8**	**14.7**	**1**	**3.7**	**0.0**	**9**	**18.4**
BABCOCK,NOLAN C	PAIN CLINIC	APPT	22	51.8	30	74.8	41	98.0	26	78.1	55.8	299	713.7
BABCOCK,NOLAN C Total			**22**	**51.8**	**30**	**74.8**	**41**	**98.0**	**26**	**78.1**	**55.8**	**299**	**713.7**
BAILEY,STEVEN L	PAIN CLINIC	APPT	172	505.5	81	226.8	156	432.8	203	773.3	685.0	1,117	3,885.0
		TCON	31	7.4	20	4.8	22	5.3	49	12.3	12.0	247	61.0
BAILEY,STEVEN L Total			**203**	**512.9**	**101**	**231.6**	**178**	**438.0**	**252**	**785.6**	**697.0**	**1,364**	**3,946.0**
BOHLANDER,SUSAN L	GASTRO	TCON	0	0.0	0	0.0	0	0.0	0	0.0	0.0	1	0.6
BOHLANDER,SUSAN L Total			**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0**	**1**	**0.6**
BRICKNER,LORRIE M	GASTRO	TCON	0	0.0	0	0.0	0	0.0	0	0.0	0.0	1	0.3
BRICKNER,LORRIE M Total			**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0**	**1**	**0.3**
CALDWELL,ANNE D	GASTRO	APPT	0	0.0	0	0.0	0	0.0	0	0.0	0.0	1	1.7
CALDWELL,ANNE D Total			**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0**	**1**	**1.7**
DOBHAN,RICHARD R	GASTRO	APPT	53	92.1	63	142.6	82	171.9	67	177.3	246.5	656	1,485.9
		TCON	79	19.0	96	23.0	104	25.0	81	20.3	21.5	784	232.3
	GASTRO SD	APPT	48	262.2	70	319.6	76	349.2	48	238.1	258.3	472	2,302.5
DOBHAN,RICHARD R Total			**180**	**373.2**	**229**	**485.2**	**262**	**546.1**	**196**	**435.6**	**526.3**	**1,912**	**4,020.7**

Source: Progress Reports & Statistics Jul 03

Access to Care Reports

Program Category	Total Planned Clinic Appts	Total Booked Clinic Appts	Total ENCTRS	Booked Appts as % of Total ENCTRS	Clinic Cancel		Patient Cancel		No Show		Kept		Walk-In		Total ENCTRS	Total Planned Clinic Appts
	#	#	#	%	#	% of Booke	#	% of Booke	#	% of Booked	#	% of Booke	#	% of Total	#	#
	150	208	152	136.84%	21	10.10%	41	19.71%	3	1.44%	143	69%	9	6%	152	**150**
Active Duty		175	142	123.24%	9	5.14%	26	14.86%	28	16.00%	112	64%	30	21%	142	
Non-Prime		9	12	75.00%	2	22.22%	0	0.00%	1	11.11%	6	67%	6	50%	12	
OTHER		5	1	500.00%	4	80.00%	0	0.00%	0	0.00%	1	20%	0	0%	1	
Prime		78	87	89.66%	11	14.10%	11	14.10%	7	8.97%	49	63%	38	44%	87	
TRICARE Plus		5	5	100.00%	1	20.00%	0	0.00%	1	20.00%	3	60%	2	40%	5	
	231	272	247	110.12%	27	9.93%	37	13.60%	37	13.60%	171	63%	76	31%	247	**231**

www.tricare.osd.mil/tools/

TEMPLATE ANALYSIS DRILLDOW

http://toc.tma.osd.mil/DAP/TMAportal_login